

Safety and Health Partnership Agreement

Indiana Department of Labor

And

Eli Lilly and Company

November 18, 2008

I. Purpose and Scope

The Commissioner of the Indiana Department of Labor (hereinafter “IDOL”) and Eli Lilly and Company (hereinafter “Lilly”) agree that it is in the best interest of both parties to enter into a strategic health and safety partnership for Lilly’s Indiana operations. The goal of this partnership is the advancement of health and safety in the workplace, which encompasses the reduction of the number and severity of injuries, and the elimination of all fatalities.

The **Partnership** refers to this **Safety and Health Partnership Agreement (hereinafter “Agreement”)**, and the **Partners** are all parties collectively who are signatory to this Agreement.

It is understood that the Agreement allows for a cooperative working environment between IOSHA and Lilly. The Agreement allows for certain programmed inspection deferrals. It does not waive any aspect of the Act or IOSHA enforcement thereof in the event of complaint, serious injury or death.

The Agreement shall cover Lilly and its Indiana operations.

II. Partners

The following are considered parties to this Agreement:

1. Indiana Department of Labor, by its Commissioner
2. Indiana Department of Labor IOSHA Division
3. Indiana Department of Labor INSafe Division
4. Eli Lilly and Company

III. Goals & Measures

GOALS	METRICS
INSafe will provide services to Lilly on an as requested basis. INSafe will coordinate 10 and 30 hour courses to be given onsite at Lilly. Lilly employees and contractors currently working on the site would be eligible to attend. IDOL will provide Lilly, on an as requested basis, access to IDOL subject matter experts. This will be primarily INSafe personnel but may include IOSHA staff .	INSafe shall track the number of training sessions, participants, and course curriculum and report this data as part of the annual report.

<p>IDOL will provide speakers as requested to Lilly functions.</p> <p>Lilly may include IDOL staff as guest lecturers in Lilly's regular "boot camp for PSM" class. The class may be conducted at either Lilly or the Indiana Government Center South.</p> <p>Lilly will also provide a ½ day "Audit Overview" class for IOSHA employees. This may be conducted at either Lilly or the Indiana Government Center South. This course is intended to give IOSHA compliance personnel an overview of an Environmental, Health, and Safety audit process in a large corporation.</p> <p>Lilly also agrees to act as a Process Safety Management (PSM) mentor to potential IOSHA Voluntary Protection Program (VPP) participants. IDOL shall not assign any company without the express consent of Lilly and the Deputy Commissioner of Labor for IOSHA.</p>	<p>IDOL will track and report the activity as part of the annual review.</p> <p>IDOL personnel will track and report all training as part of the annual report.</p>
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IV. Evaluation

1. The Commissioner or her designee shall conduct an annual review of the Partnership, and all relevant activities. The review shall be completed within 30 days of the anniversary of inception for the Agreement. The Commissioner shall then determine, annually, if continuing the Partnership is in the best interests of the State of Indiana and the Department of Labor. The evaluation shall be conducted in cooperation with Lilly, and a written report maintained in accordance with Indiana Recordkeeping Guidelines. A copy of the annual report will be provided to Lilly. It is understood that any report written by IOSHA staff may be subject to public disclosure under APRA.

2. The Commissioner may recommend changes or amendments to the Partnership at the time of the annual evaluation. All such changes require the agreement of the Partners, and shall be in writing and signed by each Partner to the Agreement.

V. Benefits

1. Special recognition from IDOL may include press releases and printed materials that identify Lilly as a valued safety and health partner of IOSHA.
2. Lilly contractors working on Lilly projects shall receive priority when seeking assistance from INSafe.
3. It is understood that this Agreement shall not limit IOSHA's investigation of any complaint or serious injury or fatality report. Indiana OSHA grants a conditional

deferral of all general schedule inspections of Lilly's Indiana operations as part of this Agreement.

4. If an inspection of Lilly and subsequent citation are warranted based on a non program inspection, such as a fatality or complaint, Lilly shall receive an additional 10% reduction above the good faith reductions outlined in the applicable OSHA FOM or FIRM.

VI. Employer and Employee Rights and Responsibilities

This Partnership does not preclude employees and/or employers, including Lilly, from exercising any rights provided under statute nor shall it abrogate any responsibility to comply with any rule adopted under the Indiana Occupational Safety and Health Act. IOSHA may enter the site at any time, as provided by the Act, when it believes a serious compliance issue exists. No part of this Agreement shall be construed as limiting IOSHA enforcement authority or the rights of workers to protections afforded by the Act. This Agreement in no manner limits Lilly's ability to exercise its rights to contest or appeal a citation.

VII. Term

The term of this Agreement is two (2) years from the date of signing. It may be terminated at any time by any Partner with fifteen days advanced written notice. The Agreement may be modified at any time by mutual agreement of the Partners. Any notice or communication under this Agreement shall be addressed to the following:

To Lilly: Dr. Paul Ahern
Vice President, Global API Manufacturing
Eli Lilly and Company
Lilly Corporate Center
Indianapolis, IN 46285

To Lilly: Mr. Stephen Gillman
Executive Director, Health, Safety and Environment
Eli Lilly and Company
Lilly Corporate Center
Indianapolis, IN 46285

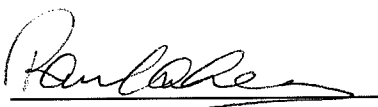
To IDOL: Ms. Lori Torres
Commissioner
Indiana Department of Labor
402 West Washington St. Room W-195
Indianapolis, IN. 46204

To IOSHA: Mr. Jeffry Carter
Deputy Commissioner, IOSHA
Same as above


To INSafe Mr. Sean Keefer
Deputy Commissioner, INSafe
Same as above

VIII. Signatories

ELI LILLY AND COMPANY

By: 
Dr. Paul Ahern
Vice President
Global API Manufacturing

Dated: 11-18-2008

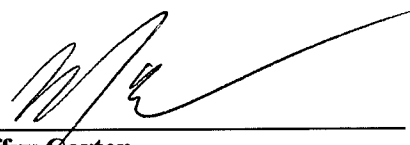
By: 
Mr. Stephen Gillman
Executive Director
Health, Safety, and Environment

Dated: 11-18-2008

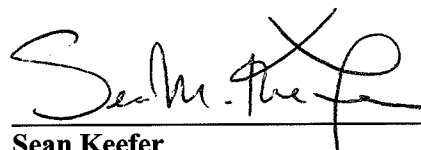
INDIANA DEPARTMENT OF LABOR

By: 
Lori Torres
Commissioner

Dated: 11-18-08

By: 
Jeffry Carter
Deputy Commissioner, IOSHA

Dated: 11/18/08

By: 
Sean Keefer
Deputy Commissioner, INSafe

Dated: 11/18/08